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Also Admitted in SC

January 17, 2018

VIA ELECTRONIC FILING

Ms. Jocelyn G. Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
Synergy Business Park
101 Executive Center Drive
Columbia, South Carolina 29210

Re: GCRM-145, Docket No. 2006-401-G

Dear Ms. Boyd:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-145.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries, as reflected on the New York Mercantile Exchange, are currently at levels below the \$3.50 per dekatherm commodity cost of gas reflected in Piedmont's rates.

Based on the differential between Piedmont's existing benchmark cost of gas and the futures wholesale price, as well as the current balance in its deferred gas cost account, Piedmont is at risk of over-collecting its wholesale gas costs if the benchmark cost of gas reflected in its rates is not decreased to \$2.75 per dekatherm as proposed herein. The relief requested herein will avoid such over-collection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate changes proposed herein are a decrease of \$0.07633/therm for sales rate schedules (201, 202, 242, 252, 203 and 204) and a decrease of \$0.00133/therm for transportation rate schedules (213 and 214).

Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective with the first billing cycle in February, 2018.

Ms. Jocelyn G. Boyd
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If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

s/ Scott M. Tyler
Scott M. Tyler

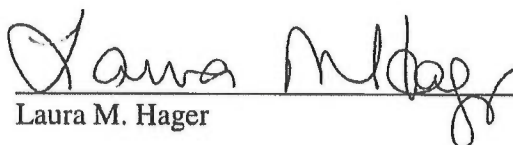
Enclosures

cc: Bruce Barkley
Pia Powers
Jim Jeffries IV
Office of Regulatory Staff (via email and overnight delivery)

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

VERIFICATION

Laura Hager, being duly sworn, deposes and says that she is Regulatory Analyst - Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing documents and knows the contents thereof; that the same are true of her own knowledge except as to those matters stated on information and belief and as to those she believes them to be true.

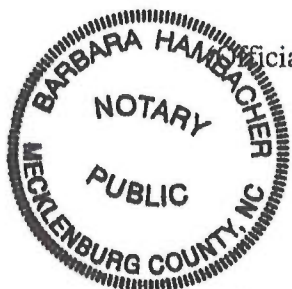


Laura M. Hager

Mecklenburg County, North Carolina
Signed and sworn to before me this day by Laura Hager

Date: 1/17/2018 

Barbara Hambacher, Notary Public



(Official Seal)

My commission expires: 10/6/18

Schedule A

Piedmont Natural Gas Company, Inc.
State of South Carolina
Proposed Benchmark Commodity Rate Change - GCRM 145, Docket No. 2006-401-G

	(a)	(b)	(c)
	November 2017	GCRM-145	February 2018
	Current	COG Commodity Rate	Proposed
Rate Schedules:	<u>Billing Rates</u> ¹	<u>Change</u>	<u>Billing Rates</u>
201 Residential Service			
Monthly Charge-winter	10.00		10.00
Monthly Charge-summer	8.00		8.00
Winter (Nov.-Mar.) per therm	1.01496	(0.07633)	0.93863
Summer (Apr.-Oct.) per therm	0.95741	(0.07633)	0.88108
202 Small General Service			
Monthly Charge	22.00		22.00
Winter (Nov.-Mar.) per therm	0.88162	(0.07633)	0.80529
Summer (Apr.-Oct.) per therm	0.86767	(0.07633)	0.79134
252 Medium General Service			
Monthly Charge	75.00		75.00
Winter (Nov.-Mar.) per therm	0.85270	(0.07633)	0.77637
Summer (Apr.-Oct.) per therm	0.83875	(0.07633)	0.76242
242 Natural Gas Vehicle Fuel Service			
Winter (Nov.-Mar.) per therm	0.73724	(0.07633)	0.66091
Summer (Apr.-Oct.) per therm	0.73724	(0.07633)	0.66091
Winter (Nov.-Mar.) per GGE ²	0.92892		0.83275
Summer (Apr.-Oct.) per GGE ²	0.92892		0.83275
243 Experimental Motor Vehicle Fuel Service			
Monthly Charge	varies by customer per their corresponding rate schedule		
Winter (Nov.-Mar.)	varies by customer per their corresponding rate schedule		
Summer (Apr.-Oct.)	varies by customer per their corresponding rate schedule		
203 Large General Sales Service			
Monthly Charge	250.00		250.00
Billing Demand per therm	1.30000		1.30000
Winter (Nov.-Mar.) per therm			
First 15,000	0.59789	(0.07633)	0.52156
Next 15,000	0.53318	(0.07633)	0.45685
Next 75,000	0.48505	(0.07633)	0.40872
Next 165,000	0.43191	(0.07633)	0.35558
Next 330,000	0.38477	(0.07633)	0.30844
Over 600,000	0.36120	(0.07633)	0.28487
Summer (Apr.-Oct.) per therm			
First 15,000	0.52361	(0.07633)	0.44728
Next 15,000	0.47748	(0.07633)	0.40115
Next 75,000	0.44791	(0.07633)	0.37158
Next 165,000	0.41334	(0.07633)	0.33701
Next 330,000	0.38477	(0.07633)	0.30844
Over 600,000	0.36120	(0.07633)	0.28487
204 Interruptible Sales Service			
Monthly Charge	250.00	-	250.00
Winter (Nov.-Mar.) per therm			
First 15,000	0.61989	(0.07633)	0.54356
Next 15,000	0.55618	(0.07633)	0.47985
Next 75,000	0.50905	(0.07633)	0.43272
Next 165,000	0.46291	(0.07633)	0.38658
Next 330,000	0.41477	(0.07633)	0.33844
Over 600,000	0.38620	(0.07633)	0.30987
Summer (Apr.-Oct.) per therm			
First 15,000	0.54561	(0.07633)	0.46928
Next 15,000	0.50048	(0.07633)	0.42415
Next 75,000	0.47191	(0.07633)	0.39558
Next 165,000	0.44434	(0.07633)	0.36801
Next 330,000	0.41477	(0.07633)	0.33844
Over 600,000	0.38620	(0.07633)	0.30987
205 Outdoor Gas Light Service			
Per Fixture/Mo.	15.00	-	15.00

Piedmont Natural Gas Company, Inc.
State of South Carolina
Proposed Benchmark Commodity Rate Change - GCRM 145, Docket No. 2006-401-G

	(a) November 2017 Current	(b) GCRM-145 COG Commodity Rate	(c) February 2018 Proposed
Rate Schedules:	<u>Billing Rates</u> ¹	<u>Change</u>	<u>Billing Rates</u>
213 Large General Transportation Service			
Monthly Charge	250.00	-	250.00
Standby Demand per therm	0.45000	-	0.45000
Billing Demand per therm	0.80000	-	0.80000
Winter (Nov.-Mar.) per therm			
First 15,000	0.22689	(0.00133)	0.22556
Next 15,000	0.16118	(0.00133)	0.15985
Next 75,000	0.11945	(0.00133)	0.11812
Next 165,000	0.07191	(0.00133)	0.07058
Next 330,000	0.03027	(0.00133)	0.02894
Over 600,000	0.01120	(0.00133)	0.00987
Summer (Apr.-Oct.) per therm			
First 15,000	0.15261	(0.00133)	0.15128
Next 15,000	0.10548	(0.00133)	0.10415
Next 75,000	0.08231	(0.00133)	0.08098
Next 165,000	0.05334	(0.00133)	0.05201
Next 330,000	0.03027	(0.00133)	0.02894
Over 600,000	0.01120	(0.00133)	0.00987
214 Interruptible Transportation Service			
Monthly Charge	250.00	-	250.00
Winter (Nov.-Mar.) per therm			
First 15,000	0.23189	(0.00133)	0.23056
Next 15,000	0.17118	(0.00133)	0.16985
Next 75,000	0.12405	(0.00133)	0.12272
Next 165,000	0.07521	(0.00133)	0.07388
Next 330,000	0.03477	(0.00133)	0.03344
Over 600,000	0.01120	(0.00133)	0.00987
Summer (Apr.-Oct.) per therm			
First 15,000	0.15761	(0.00133)	0.15628
Next 15,000	0.11548	(0.00133)	0.11415
Next 75,000	0.08691	(0.00133)	0.08558
Next 165,000	0.05664	(0.00133)	0.05531
Next 330,000	0.03477	(0.00133)	0.03344
Over 600,000	0.01120	(0.00133)	0.00987

1/ The rates in Column (a) are the same as those shown in the Company's Etariff filing revision #E2017-244.
2/ The rates convert 1.26 therms to 1 GGE.

Schedule'D

Piedmont Natural Gas Company, Inc.
State of South Carolina
Commodity Cost of Gas Calculation
Docket No. 2006-401-G
GCRM - 145

	Annualized Throughput (DT) per Docket 2017-7-G Settlement Approved on <u>10/4/2017, Order No. 2017-624</u>	Proposed Commodity Rate per (DT)	Total
Sales	13,891,522	\$ 2.75	\$ 38,201,685
Transportation	5,635,024		
Total Throughput	19,526,546		
LAUF %	1.77%		
Company Use & Lost And Unacct For	345,620	\$ 2.75	\$ 950,455
Total Throughput			19,526,546
Calculated Rate - LAUF			0.0487
Proposed Sales Commodity Rate per DT			\$ 2.79870
Proposed Sales Commodity Rate per Therm			\$ 0.27987
Current Sales Commodity Rate per Therm			\$ 0.35620
Adjustment to Sales Commodity Rate			\$ (0.07633)
Proposed Transportation Commodity Rate per DT			\$ 0.04870
Proposed Transportation Commodity Rate per Therm			\$ 0.00487
Current Transportation Commodity Rate per Therm			\$ 0.00620
Adjustment to Transportation Commodity Rate			\$ (0.00133)
Current Benchmark			\$ 3.50
Proposed Benchmark			\$ 2.75

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached document is being served this date via email and UPS Overnight upon:

Jeffrey M. Nelson
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
jnelson@regstaff.sc.gov

And that a copy of the attached document is being served this date via email or U.S. Mail upon:

Bruce Barkley
Vice President
Regulatory and Community Relations
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
bruce.barkley@piedmontng.com

and

Pia Powers
Director – Gas Rates & Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 17th day of January, 2018.

/s/ Richard K. Goley
Richard K. Goley